

Issue Brief – DSPD Waiting List

NUMBER HHS-05-27

SUMMARY

The Division of Services for People with Disabilities (DSPD) is responsible for providing residential, day and family support services for people with mental retardation and other developmental disabilities. To receive services, people must have substantial functional limitations in three or more of the following life activities: self care, receptive and expressive language, learning, mobility, self direction, capacity for independent living, and economic self-sufficiency. The services provided range from limited family support to a full array of 24-hour services both in the community and at the Utah State Developmental Center. Services are also available in private Intermediate Care Facilities for people with Mental Retardation (ICFs/MR) with funding through the Department of Health. Services in the ICF/MR system is an entitlement, meaning that if a person meets eligibility requirements, services must be provided.

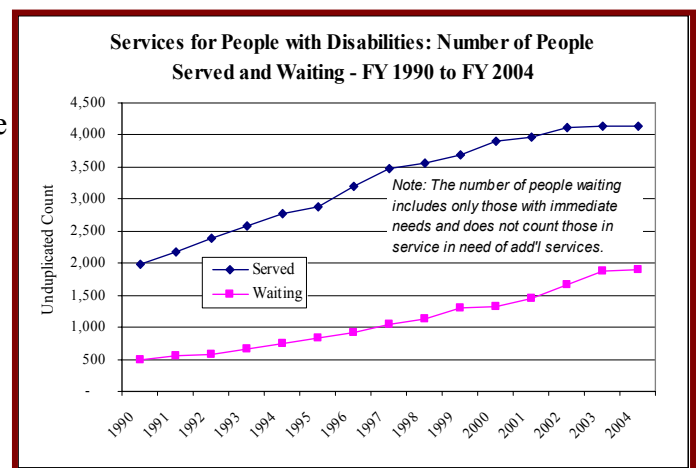
The State has chosen to provide an alternative to the ICF/MR system, which is the Home and Community Based Services (HCBS) waiver system. The HCBS includes a range of services and supports for people in homes and apartments, including full residential placements, located in community settings throughout the State. This system is also 70 percent funded by Medicaid transfers through its waiver program. This service is not an entitlement to eligible people, but can be used only as far as resources permit. Therefore, most states have waiting lists for services in the HCBS waiver program. The HCBS system is funded through DSPD, which determines eligibility for services in both the ICF/MR and the HCBS systems and serves as the “gatekeeper” for both systems.

ANALYSIS

Since there are more eligible people desiring home and community based services under the Medicaid Waiver than there are resources available, the State has a waiting list for these services. As of October, 2004, there were 1,893 people on the “immediate needs” waiting list who are currently not receiving any services. These include 179 waiting for community residential services, 273 for supported living, 1,230 for family support, 385 for supported employment, 254 for day training, and 69 for personal assistance services. Some individuals are waiting for more than one type of service. It would take approximately \$8.4 million dollars (General Fund) to fund the current waiting list. In addition there are 123 people currently in service who have an immediate need for additional services, with an estimated cost of about \$1.1 million (General Fund). The Division maintains a second list of people identified with future service needs numbering 796 individuals. The total number of all people waiting for services, either with immediate needs, future needs, or both, is 2,225 (unduplicated).

Growth in the Waiting List

Over the years, the Legislature has attempted to reduce this list, but the list still grows. The chart on the right shows the growth in the number of people served and the number of people on the waiting list since FY 1990. It shows only people receiving no services, not those in service waiting for additional services. Since 1990, the number of people in service has grown by 2,150 (108 percent), and the waiting list has grown by 1,395 (280 percent).



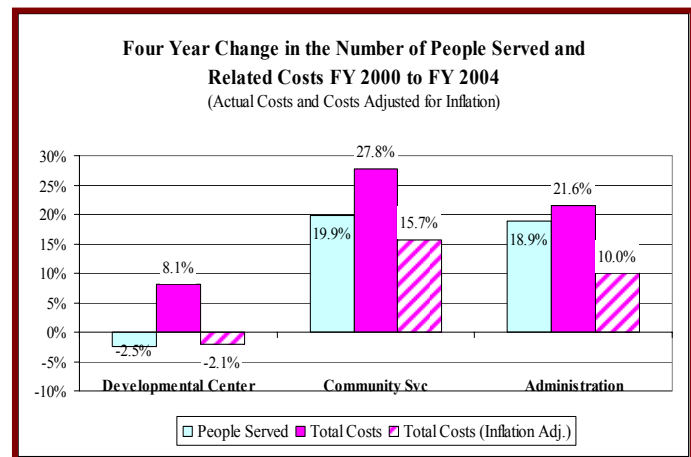
Efforts to Fund the Waiting List

Since 1995, the Legislature has increased the base service budgets by approximately \$34 million in new funding to provide services for people on the waiting list. This includes \$9.2 million in State Funds and \$2.8 million from the federal TANF funds transferred to the Social Services Block Grant. In addition, \$5.5 million in new base funding has been appropriated for emergency community placement needs (including \$1.8 million State Funds and TANF transfers). Last year, the Legislature's FY 2005 appropriation included about \$1 million (\$300,000 General Funds) for moving people off the waiting list. This was the first such specific budget increase since FY 2001.

The Division has made significant efforts in the last few years to better utilize existing resources for addressing needs of the people on the waiting list. The Division has completed a top to bottom review of its budgeting practices, controls, management of provider contracts, and is reviewing its service packages to individuals and how they are determined. The Division's plan to bring their existing budget into "equilibrium" includes various cost reduction and cost control plans. At first, the Division projected an operating deficit of about \$500,000 for FY 2004 due to expected unavoidable emergency services. Carry-forward funds were to be used for the expected over-expenditure. However, cost savings provided an FY 2004 year end "surplus" of about \$500,000. During FY 2005, the Division will use about \$500,000 of the \$3.9 million non-lapsing balance carried forward from last year for services included in the legislative intent language. This includes such items as emergency services, services for youth aging out of state custody (child welfare and juvenile justice services) or for individuals ordered by the courts into DSPD services.

Serving More People

The chart on the right compares the growth in the number of clients in service to the growth in the service budget. The budget is shown both as actual and adjusted for inflation. This indicates that, while budgets have grown faster than the size of the population served, when adjusted for inflation, the budgets have grown less than the number of people served. This is a reversal from earlier years, when budgets (even adjusted for inflation) were growing significantly faster than growth in the number of people receiving services.



Utah Sued Over its Waiting List

In December 2002, the Disability Law Center, on behalf of the ARC of Utah and individuals who have been waiting for community services, filed a class-action lawsuit in the U.S. District Court. The suit claims the State has unlawfully failed to provide services to individuals on the waiting list in violation of Medicaid law and the "Americans with Disabilities Act." The suit does not include a specific funding demand but it does ask the State to eliminate the waiting list by creating a plan to provide services to all eligible individuals. On August 26, 2003, the U.S. District Court dismissed the Medicaid claims of the lawsuit. The lawsuit is still progressing on the other claims. The Court has set a trial date for March, 2005.

RECOMMENDATION

The Analyst recommends that \$2,700,000 (\$1,000,000 General Fund) be appropriated for FY 2006, which will address the needs of about 190 people, or about 10 percent of people on the list. This recommendation is not included in any of the tables and charts in the Analyst's FY 2006 recommendation as the Executive Appropriations Committee has not provided any additional funding for the subcommittee.